

MOTION TO INSTRUCT CONFEREES ON H.R. 1, MEDICARE PRESCRIPTION DRUG AND MODERNIZATION ACT OF 2003

The SPEAKER pro tempore. The unfinished business is the question on the motion to instruct conferees on the bill, H.R. 1.

The Clerk will designate the motion.

The Clerk designated the motion.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentlewoman from Nevada (Ms. BERKLEY) on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 203, nays 218, not voting 13, as follows:

[Roll No. 637]

YEAS—203

Abercrombie	Hill	Napolitano
Ackerman	Hinchey	Neal (MA)
Alexander	Hinojosa	Oberstar
Allen	Hoefel	Obey
Baca	Holden	Oliver
Baird	Holt	Ortiz
Baldwin	Honda	Owens
Becerra	Hoolley (OR)	Pallone
Bell	Hoyer	Pascarell
Berkley	Inslee	Pastor
Berman	Israel	Payne
Berry	Jackson (IL)	Pelosi
Bishop (GA)	Jackson-Lee	Pomeroy
Blumenauer	(TX)	Price (NC)
Boehlert	Jefferson	Rahall
Boswell	John	Rangel
Boucher	Johnson, E. B.	Reyes
Boyd	Jones (NC)	Rodriguez
Brady (PA)	Jones (OH)	Ross
Brown, Corrine	Kanjorski	Rothman
Capps	Kaptur	Roybal-Allard
Capuano	Kennedy (RI)	Ruppersberger
Cardin	Kildee	Rush
Cardoza	Kilpatrick	Ryan (OH)
Carson (IN)	Kind	Sabo
Carson (OK)	Kleczka	Sanchez, Linda
Case	Kucinich	T.
Clay	Lampson	Sanchez, Loretta
Clyburn	Langevin	Sanders
Conyers	Lantos	Sandlin
Cooper	Larsen (WA)	Schakowsky
Costello	Larson (CT)	Schiff
Cramer	Leach	Scott (GA)
Crowley	Lee	Scott (VA)
Cummings	Levin	Serrano
Davis (AL)	Lewis (GA)	Sherman
Davis (CA)	Lipinski	Skelton
Davis (FL)	Lofgren	Slaughter
Davis (TN)	Lowe	Snyder
DeFazio	Lucas (KY)	Solis
DeGette	Lynch	Spratt
Delahunt	Majette	Stark
DeLauro	Maloney	Stenholm
Deutsch	Markey	Strickland
Dicks	Marshall	Stupak
Dingell	Matheson	Sweeney
Doggett	Matsui	Tanner
Dooley (CA)	McCarthy (MO)	Tauscher
Doyle	McCarthy (NY)	Taylor (MS)
Edwards	McCollum	Thompson (CA)
Emanuel	McDermott	Thompson (MS)
Engel	McGovern	Tierney
Eshoo	McHugh	Towns
Etheridge	McIntyre	Turner (TX)
Evans	McNulty	Udall (CO)
Farr	Meehan	Udall (NM)
Fattah	Meek (FL)	Van Hollen
Filner	Meeks (NY)	Velazquez
Ford	Menendez	Visclosky
Frank (MA)	Michaud	Waters
Frost	Millender	Watson
Gonzalez	McDonald	Watt
Gordon	Miller (NC)	Waxman
Green (TX)	Miller, George	Weiner
Grijalva	Mollohan	Wexler
Gutierrez	Moore	Woolsey
Hall	Moran (VA)	Wu
Harman	Murtha	Wynn
Hastings (FL)	Nadler	

NAYS—218

Aderholt	Gilchrest	Otter
Akin	Gillmor	Oxley
Bachus	Gingrey	Paul
Baker	Goode	Pearce
Ballenger	Goodlatte	Pence
Barrett (SC)	Goss	Peterson (MN)
Bartlett (MD)	Granger	Peterson (PA)
Barton (TX)	Graves	Petri
Bass	Green (WI)	Pickering
Beauprez	Greenwood	Pitts
Bereuter	Gutknecht	Platts
Biggart	Harris	Pombo
Bilirakis	Hart	Porter
Bishop (UT)	Hastings (WA)	Portman
Blackburn	Hayes	Pryce (OH)
Blunt	Hayworth	Putnam
Boehner	Hefley	Quinn
Bonilla	Hensarling	Radanovich
Bonner	Herger	Ramstad
Bono	Hobson	Regula
Boozman	Hoekstra	Rehberg
Bradley (NH)	Hostettler	Renzi
Brady (TX)	Houghton	Reynolds
Brown (SC)	Hulshof	Rogers (AL)
Brown-Waite,	Hunter	Rogers (KY)
Ginny	Hyde	Rogers (MI)
Burgess	Issa	Rohrabacher
Burns	Istook	Ros-Lehtinen
Burr	Janklow	Royce
Burton (IN)	Jenkins	Ryan (WI)
Buyer	Johnson (CT)	Ryun (KS)
Calvert	Johnson (IL)	Saxton
Camp	Johnson, Sam	Schrock
Cannon	Keller	Sensenbrenner
Cantor	Kelly	Sessions
Capito	Kennedy (MN)	Shadeegg
Carter	King (IA)	Shaw
Castle	King (NY)	Shays
Chabot	Kingston	Sherwood
Chocola	Kirk	Shimkus
Coble	Kline	Shuster
Cole	Knollenberg	Simmons
Cox	Kolbe	Simpson
Crane	LaHood	Smith (MI)
Rahall	Latham	Smith (NJ)
Crenshaw	LaTourrette	Smith (TX)
Culberson	Lewis (CA)	Souder
Cunningham	Lewis (KY)	Stearns
Davis, Jo Ann	Linder	Tancredo
Davis, Tom	LoBiondo	Tauzin
Deal (GA)	Lucas (OK)	Taylor (NC)
DeMint	Manzullo	Terry
Diaz-Balart, L.	McCotter	Thomas
Diaz-Balart, M.	McCrery	Thornberry
Doolittle	McInnis	Tiahrt
Dreier	McKeon	Tiberi
Duncan	Mica	Toomey
Dunn	Miller (FL)	Turner (OH)
Ehlers	Miller (MI)	Upton
Emerson	Miller, Gary	Vitter
English	Moran (KS)	Walden (OR)
Everett	Murphy	Walsh
Feeney	Musgrave	Wamp
Ferguson	Myrick	Weldon (FL)
Flake	Nethercutt	Weldon (PA)
Foley	Neugebauer	Weller
Forbes	Ney	Whitfield
Fossella	Northup	Wicker
Franks (AZ)	Norwood	Wilson (NM)
Frelinghuysen	Nunes	Wilson (SC)
Galleghy	Nussle	Wolf
Garrett (NJ)	Osborne	Young (AK)
Gerlach	Ose	Young (FL)
Gibbons		

NOT VOTING—13

Andrews	Cubin	Isakson
Ballance	Davis (IL)	Smith (WA)
Bishop (NY)	DeLay	Sullivan
Brown (OH)	Fletcher	
Collins	Gephardt	

□ 1409

Mr. SMITH of New Jersey changed his vote from "yea" to "nay."

So the motion to instruct was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. SWEENEY. Mr. Speaker, please be advised that on the Berkley motion to instruct on November 19, 2003, I inadvertently voted "yea" when my intent was to vote "nay."

OVERSEAS PRIVATE INVESTMENT CORPORATION AMENDMENTS ACT OF 2003

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1824) to amend the Foreign Assistance Act of 1961 to reauthorize the Overseas Private Investment Corporation, and for other purposes.

The Clerk read as follows:

S. 1824

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Overseas Private Investment Corporation Amendments Act of 2003".

SEC. 2. ISSUING AUTHORITY.

Section 235(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)(2)) is amended by striking "November 1, 2000" and inserting "2007".

SEC. 3. TECHNICAL CORRECTIONS.

(a) ADMINISTRATIVE COSTS.—Section 235(a)(1)(B) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)(1)(B)) is amended by striking "subsidy cost" and inserting "subsidy and administrative costs".

(b) NONCREDIT ACCOUNT REVOLVING FUND.—Section 235(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(c)) is amended—

(1) in the first sentence—

(A) by striking "an insurance and guaranty fund, which shall have separate accounts to be known as the Insurance Reserve and the Guaranty Reserve, which reserves" and inserting "a noncredit account revolving fund, which"; and

(B) by striking "such reserves have" and inserting "of the fund has";

(2) by striking the third sentence; and

(3) in the last sentence, by striking "reserves" and inserting "fund".

(c) PAYMENTS TO DISCHARGE LIABILITIES.—Section 235(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(d)) is amended—

(1) in the first sentence, by striking "Insurance Reserve, as long as such reserve" and inserting "noncredit account revolving fund, as long as such fund"; and

(2) in the second sentence, by striking "or under similar predecessor guaranty authority" and all that follows through "subsection (f) of this section" and inserting "or 234(c) shall be paid in accordance with the Federal Credit Reform Act of 1990".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 235(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(f)) is amended—

(1) in the first sentence, by striking "insurance and guaranty fund" and inserting "noncredit account revolving fund"; and

(2) by striking "Insurance Reserve" each place it appears and inserting "noncredit account revolving fund".

(e) BOARD OF DIRECTORS.—Section 233(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2193(b)) is amended in the second paragraph—

(1) by striking "officials" and inserting "principal officers";

(2) by inserting "whose duties relate to the programs of the Corporation" after "Government of the United States"; and

(3) by striking "an official" and inserting "one such officer".

SEC. 4. INVESTMENT INSURANCE.

(a) EXPROPRIATION OR CONFISCATION.—Section 234(a)(1)(B) of the Foreign Assistance Act of 1961 (22 U.S.C. 2194(a)(1)(B)) is amended by inserting "or any political subdivision thereof" after "government".

(b) DEFINITION OF EXPROPRIATION.—Section 238(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2198(b)) is amended by inserting "

a political subdivision of a foreign government, or a corporation owned or controlled by a foreign government," after "government".

SEC. 5. LOCAL CURRENCY GUARANTY.

(a) LOCAL CURRENCY GUARANTY.—Section 234 of the Foreign Assistance Act of 1961 (22 U.S.C. 2194) is amended by adding at the end the following:

"(h) LOCAL CURRENCY GUARANTIES FOR ELIGIBLE INVESTORS.—To issue to—

"(1) eligible investors, or

"(2) local financial institutions, guaranties, denominated in currencies other than United States dollars, of loans and other investments made to projects sponsored by or significantly involving eligible investors, assuring against loss due to such risks and upon such terms and conditions as the Corporation may determine, for projects that the Corporation determines to have significant developmental effects or as the Corporation determines to be necessary or appropriate to carry out the purposes of this title."

(b) DEFINITION OF LOCAL FINANCIAL INSTITUTION.—Section 238 of the Foreign Assistance Act of 1961 (22 U.S.C. 2198) is amended—

(1) in subsection (d), by striking "and" after the semicolon;

(2) in subsection (f), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(g) the term 'local financial institution'—

"(1) means any bank or financial institution that is organized under the laws of any country or area in which the Corporation operates; but

"(2) does not include a branch, however organized, of a bank or other financial institution that is organized under the laws of a country in which the Corporation does not operate."

SEC. 6. OUTREACH TO MINORITY- AND WOMEN-OWNED BUSINESSES.

(a) IN GENERAL.—Section 240 of the Foreign Assistance Act of 1961 (22 U.S.C. 2200) is amended—

(1) in the first sentence, by striking "The Corporation" and inserting:

"(a) IN GENERAL.—The Corporation"; and

(2) by adding at the end the following:

"(b) OUTREACH TO MINORITY-OWNED AND WOMEN-OWNED BUSINESSES.—The Corporation shall collect data on the involvement of minority- and women-owned businesses in projects supported by the Corporation, including—

"(1) the amount of insurance and financing provided by the Corporation to such businesses in connection with projects supported by the Corporation; and

"(2) to the extent such information is available, the involvement of such businesses in procurement activities conducted or supported by the Corporation.

The Corporation shall include, in its annual report submitted to the Congress under section 240A, the aggregate data collected under this paragraph, in such form as to quantify the effectiveness of the Corporation's outreach activities to minority- and women-owned businesses."

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to the rule, the gentleman from Nebraska (Mr. BEREUTER) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska (Mr. BEREUTER).

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within

which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge my colleagues to pass the bill before us this afternoon, S. 1824, the Overseas Private Investment Corporation Amendments Act of 2003. This bipartisan measure, which passed the Senate on November 14 by unanimous consent, would extend the authority to the Overseas Private Investment Corporation through September 30, 2007.

This action is necessary in light of the fact that the authority for this important agency originally terminated on September 30 of this year and that its continuation on an emergency basis expires at the end of this week. This Member, therefore, asks his colleagues to pass this bill so it can be sent to the President and signed into law without delay. Its provisions are identical to those contained in H.R. 3145 which was approved by voice vote by the Committee on International Relations on September 25.

The OPIC Amendments Act of 2003 makes technical and conforming changes to OPIC's statutes, allows the corporation to offer its investment insurance in several key markets, including acts of an entity owned or controlled by a foreign government, permits the corporation to provide a guarantee of local currency loans made by a locally-established bank in countries without an established banking presence, and directs the corporation to collect data on the involvement of minority- and women-owned businesses in all of its projects.

This key development agency has compiled an impressive track record since its inception in 1971, supporting U.S. investors in overseas markets in order to help our exporters. At the same time, it has created more than 250,000 jobs in the U.S. and led to \$64 billion in U.S. exports. It operates on a self-sustaining basis, returning approximately \$200 million each year to the U.S. Treasury, and helps to support other key U.S. development programs.

Members' support of this measure will ensure that OPIC continues to play a developmental role in frontline states such as Pakistan and Afghanistan and will permit it to implement investment and financing programs in Iraq at minimal cost to the American taxpayer. Therefore, this Member urges support of this measure.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. Without objection, the gentlewoman from Nevada (Ms. BERKLEY) will assume control of the time for the minority.

There was no objection.

Ms. BERKLEY. Mr. Speaker, I yield myself such time as I may consume, and I rise in strong support of S. 1824.

Mr. Speaker, I reserve the balance of my time.

Mr. BEREUTER. Mr. Speaker, it is my pleasure to yield such time as he may consume to the distinguished gentleman from California (Mr. ROHRABACHER), a member of the committee.

Mr. ROHRABACHER. Mr. Speaker, I rise in support of S. 1824, a bill to reauthorize funding for the Overseas Private Investment Corporation. I never supported OPIC in the past because, until recently, what OPIC basically did was provide insurance for Fortune 500 corporations to invest overseas, and when those investments went belly up, the American taxpayer picked up the bill. OPIC was basically an ATM machine for the Fortune 500.

Well, things are different now. Things are changing at OPIC for the better.

A new president, Dr. Peter Watson, is in charge of OPIC, and OPIC funds are now being channeled to business initiatives that promote democracy and justice and are in the interests of the American people.

One case of particular interest is that of Ethiopia.

□ 1415

Ethiopia is a case of particular interest. Ethiopia is run today by leaders who are inclined towards war and who frequently violate the rights of honest people whose property has been confiscated by their government. Some of these victims are U.S. citizens. One of the victims is Mr. Berhane, my constituent, and now a U.S. citizen. The Berhane family is a very well-respected family in Orange County. We all know them and respect them as honest, hard-working people.

Mr. Berhane owned a successful enterprise in Ethiopia that was stolen, confiscated by Ethiopia's former Marxist dictatorship. Although the current regime in Ethiopia claims that such stolen property will be returned, they refuse to give the Berhane family back their business or offer just compensation.

Members of Congress and officials from the executive branch have warned the government of Ethiopia that this issue is taken seriously; and it will, therefore, have damaging repercussions if this injustice to the Berhane family continues.

Underscoring this new commitment at OPIC, I have been informed that OPIC will no longer consider any project for Ethiopia until this American family is properly compensated for their property, for their confiscated property. Let the government of Ethiopia be forewarned, this issue will not stop here. We applaud OPIC today. Funding for Ethiopia by multilateral development banks and the United States Agency for International Development is in jeopardy. It will be called into question until Americans are treated fairly in Ethiopia and their just claims dealt with honestly.

I applaud OPIC and call on those who run Ethiopia not to hurt their own people for selfish reasons and to give the

Berhane family back its property. I call on my colleagues to support this reauthorization of OPIC which is now reconfirming itself to those noble principles which justified the creation of OPIC in the beginning, and it is doing so demonstrably in my district by standing up for this American family. So I am very proud to stand for the reauthorization of OPIC today.

The SPEAKER pro tempore (Mr. SHIMKUS). Without objection, the remainder of the time will be controlled by the gentleman from California (Mr. LANTOS) for the minority.

There was no objection.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I might consume. (Mr. LANTOS asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. LANTOS. Mr. Speaker, I rise in strong support of S. 1824, the Overseas Private Investment Corporation Amendments Act of 2003.

Mr. Speaker, I would first like to express my deep appreciation to the gentleman from Illinois (Chairman HYDE), who once again demonstrated outstanding leadership in managing this all-encompassing, bipartisan committee review of OPIC's operations and management.

On November 4 of this year, the Committee on International Relations reported H.R. 3145, the identical companion bill to the legislation we are considering today. All of the language in the committee's report should be considered directly applicable to the reauthorization we are voting on today.

Mr. Speaker, OPIC has faced its share of controversy over many years. In particular, OPIC's mission to support private investment in developing countries has sometimes seemed to be in conflict with its own statutory responsibilities regarding loss of U.S. jobs and the protection of the environment.

OPIC's leadership recently has made significant efforts to address these issues. I want to commend Dr. Peter Watson, the president and CEO of the Overseas Private Investment Corporation, for his commitment to ensuring that OPIC complies with its statutory mandate on environment and labor rights standards.

The reauthorization package we have before us is sound. Not only does the bill reauthorize OPIC through September 30, 2007, but it reflects a comprehensive, bipartisan compromise between the committee, OPIC, and all of its stakeholders.

I am particularly pleased, Mr. Speaker, that our package will address the concerns shared by many of my colleagues in recent years about the effectiveness of OPIC's safeguards to ensure that its projects support the interests of American workers, protect the global environment, and support human rights.

I want to thank my distinguished colleague, the gentleman from Illinois

(Mr. HYDE), for his willingness to work with us to address these concerns. The report language we have agreed upon directs OPIC to establish a robust and independent accountability mechanism on these matters, which I strongly believe will help guarantee broad congressional support for this important institution.

Mr. Speaker, this legislation has strong bipartisan support, as well as the support from environmental and labor groups. I urge all of my colleagues to support OPIC's reauthorization by voting in favor of this legislation.

Mr. Speaker, before I close, I include for the RECORD two letters from OPIC President Watson to Chairman HYDE and me that were crucial to our side's support for this legislation.

OVERSEAS PRIVATE
INVESTMENT CORPORATION,
Washington, DC, October 30, 2003.

Hon. HENRY HYDE,
Chairman, Committee on International Relations,
House of Representatives, Washington, DC.

Hon. TOM LANTOS,
Ranking Member, Committee on International Relations,
House of Representatives, Washington, DC.

DEAR CHAIRMAN HYDE AND CONGRESSMAN LANTOS: As Congress prepares to conclude action on legislation to reauthorize the Overseas Private Investment Corporation (OPIC), I wanted to affirm to you again my strong commitment to OPIC's statutory mandates with regard to the environment.

During my confirmation hearing before the Senate Foreign Relations Committee in May 2001, I said, "I support OPIC's rejection of applications for projects that pose major or unreasonable hazards to the environment, health and safety. OPEC should continue to support only environmentally responsible development." I believe that my actions and decisions over the past two years in promoting environmentally sound development have given substance to these words.

Over this time, I have had the opportunity to talk with members of the International Relations Committee and Congressional Committee staff concerning OPIC's environmental stewardship, and to discuss ways to make our program more accountable and transparent. My meetings with Representative Earl Blumenauer have been particularly valuable in this regard.

Based on these many discussions, I want to confirm to the Committee my intent, in consultation with stakeholders, to create an "accountability mechanism" at OPIC. Among other functions, it is my intention that the mechanism will allow for a robust, consistent and independent environmental evaluation of OPIC projects, policies and practices, ensuring that OPIC environmental program is the model for best practices in other bilateral and multilateral institutions, and that the agency continues to meet its developmental goals in the most environmentally responsible manner. I look forward to beginning this ambitious process in the coming weeks.

I also want to confirm to the Committee my intent to continue the dialogue with stakeholders on a "transparency" initiative. Among other functions, such an initiative is intended to ensure that stakeholders can more clearly see how OPIC is implementing its statutory mandates and policy commitments concerning environmental stewardship. This initiative would heighten transparency and information disclosure con-

cerning OPIC's projects and internal mechanisms. I look forward to re-engaging in this dialogue in the coming weeks and months.

Additionally, with a view toward fully supporting our statutory mandates and enhancing the contribution provided to the Corporation by the Board of Directors, I wanted to inform the Committee that when a private sector Director term expires, I am prepared to recommend to the Administration that a future private sector Director have, as part of that individual's professional qualifications, substantial experience in advocating for or managing regulatory compliance with environmental standards.

I deeply appreciate the bipartisan support OPIC has received from the Committee over the past year, and look forward to continuing to work with you and other members of the Committee in the future.

Best regards,

PETER S. WATSON,
President & CEO.

OVERSEAS PRIVATE
INVESTMENT CORPORATION,
Washington, DC, October 30, 2003.

Hon. HENRY J. HYDE,
Chairman, Committee on International Relations,
House of Representatives, Washington, DC.

Hon. TOM LANTOS,
Ranking Member, Committee on International Relations,
House of Representatives, Washington, DC.

DEAR CHAIRMAN HYDE AND CONGRESSMAN LANTOS: Thank you for your letter of October 29, 2003. Let me say that I am deeply honored by your generous comments regarding OPIC's recent progress toward fulfilling its developmental mission and important foreign policy priorities. Cooperation with the Committee has been essential to OPIC's successes to date, and I look forward to continuing our close cooperation with the Committee into the future.

Your letter also referenced OPIC's establishment of a separate Office of Investment Policy and requested a summary of the functions and policies of the new office in carrying out OPIC's development mission, including worker rights. I am pleased to provide the following to you in response.

Prior to 2001, OPIC statutory review for environmental, worker rights, human rights and U.S. effects conditionalities were performed in OPIC's Financial Management and Statutory Review Department (FMSR). The Department fell under the responsibility of the Vice President and Treasurer, which was predominantly focused on the agency's budget and accounting function.

As this office did not give the priority needed to enforce its statutory responsibilities, I set out to correct the situation by separating the budget and accounting functions from the statutory review functions when I assumed my responsibilities as President & CEO in 2001.

The result was a new Office of the Chief Financial Officer, created to deal exclusively with budget and accounting activities. Concurrently, I created the Office of Investment Policy with the special responsibility for OPIC's environmental, U.S. effects, human rights and worker rights conditionalities, integrating all major statutory review functions into one department.

Accordingly, in creating an office headed by a new Vice President, consideration of statutory review functions was for the first time elevated to the same level as OPIC's product departments, Finance, Insurance and Investment Funds, with full voting rights in OPIC internal deliberative mechanisms. The result has been an overall elevation of and improvement in OPIC's handling of its statutory conditionalities. Allow

me now to make a brief description of the functions of the office:

Environment

OPIC is required by statute to conduct an environmental assessment of every project proposed for insurance or financing and to decline support for investment projects that, in OPIC's judgment, would have an unreasonable or major adverse impact on the environment, or on the health or safety in the host country. For most industrial sectors, OPIC expects projects to meet the more stringent of World Bank or host-country environmental, health and safety standards.

For projects in sectors designated as "environmentally sensitive" a full Environmental Impact Assessment (EIA) must be submitted for OPIC's review. As part of its review process, OPIC lists every such project on OPIC's web site for a 60-day public comment period.

U.S. effects

OPIC supports only those projects that are not likely to harm the U.S. economy or have a negative effect on U.S. employment. Additionally, OPIC will not support "runaway plants," which substitute existing U.S. facilities with foreign plants to serve the same markets. By statute, and consistent with overall U.S. government policy, OPIC does not participate in projects subject to performance requirements that would substantially reduce the potential U.S. trade benefits of the investments.

Human rights

OPIC's statute directs the agency to take human rights into account in the operation of its programs and to operate its programs consistent with the provisions of Section 116 of the Foreign Assistance Act. OPIC consults the State Department's Bureau for Democracy, Human Rights and Labor Affairs, (DRL) with respect to each and every project considered for OPIC financing and insurance, as well as downstream transactions undertaken by OPIC supported investment funds. No project commitment is concluded by OPIC until DRL has provided OPIC with its clearance on human rights.

Worker rights

OPIC has the strongest worker rights mandate of any international financial institution, multilateral or bilateral. OPIC is prohibited by statute from supporting projects that contribute to violations of internationally recognized worker rights. What is unique about OPIC's statutory mandate is that it operates on both the country eligibility and project levels.

OPIC promotes worker rights on the country level by withholding eligibility for OPIC programs from countries that are excluded from eligibility from the Generalized System of Preferences (GSP) on worker rights grounds, as well as other non-GSP countries that fail to take steps to adopt and implement internationally recognized worker rights. On the project level, the mandate is implemented through contractual obligations between OPIC and the companies OPIC supports. These obligations incorporate host country labor laws and International Labor Organization (ILO) standards to ensure that projects do not cause worker rights violations.

OPIC monitors worker rights in the field and requires companies to promptly remediate worker rights violations or face the default and other legal remedies available under OPIC's authority. Looking to the future, OPIC hopes to work with stakeholders to enhance compliance with internationally recognized worker rights. We also hope that this process will improve due diligence, reporting and monitoring procedures providing detailed, accurate and timely information on worker rights, and concurrently, that en-

forcement procedures are comprehensive, effective and transparent. I wish to assure the Committee of my strong personal interest and involvement in this regard, and look forward to sharing the results of our efforts with the Committee on a regular basis.

Future activities

I would also take this opportunity to confirm to the Committee my intent, in consultation with stakeholders, to create an accountability mechanism at OPIC. Among other functions, it is my intention that the mechanism will allow for a robust, consistent and independent evaluation of social, labor, human rights and transparency standards of OPIC projects, policies and practices.

I also want to confirm to the Committee my intent to continue the dialogue with stakeholders on a "transparency" initiative. Among other functions, such an initiative is intended to ensure that stakeholders can more clearly see how OPIC is implementing its statutory mandates and policy commitments concerning its stewardship of social, labor and human rights issues. This initiative would heighten transparency and information disclosure concerning OPIC's projects and internal mechanisms. I look forward to re-engaging in this dialogue in the coming weeks and months.

In closing, I would like to express my appreciation to the Committee for its support, and I look forward to working with you in the future.

Best regards,

PETER S. WATSON,
President & CEO.

Mr. Speaker, I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from California (Mr. LANTOS) for his statement and for the cooperation that he and other Members on his side of the aisle and the staff of both sides of the aisle have given us in the advancement of this legislation to reauthorize OPIC.

Mr. Speaker, I urge all Members to support the reauthorization of this very worthy, important agency.

Mr. MANZULLO. Mr. Speaker, I rise in support of the Overseas Private Investment Corporation Amendments Act of 2003 (S. 1824), which will reauthorize the vital programs of the Overseas Private Investment Corporation (OPIC) for another four years. As the author of the previous OPIC reauthorization bill in 1999 (P.L. 106-158), I am pleased to strongly endorse S. 1824.

Since 1971, OPIC-supported projects have facilitated \$145 billion worth of investments in hundreds of projects that have helped developing countries and emerging economies of the former East Bloc improve their standard of living. In addition, OPIC-supported projects have helped to create or sustain 254,000 American jobs and \$65 billion in exports; expanded economic development; encouraged political stability; and promoted free market reforms around the world.

As an additional benefit, OPIC operates at no net cost to taxpayers by charging fees for its services. It has earned a profit in each year of operations—\$175 million in 2002—and built its substantial reserves to more than \$4 billion. I wish every government agency operated like OPIC by producing a profit for the taxpayer. All of OPIC's guaranty and insurance obligations are backed by OPIC's own substantial reserves and by the full faith and credit of the U.S. Government.

As chairman of the Small Business Committee, I am particularly pleased that under the current leadership of OPIC President and CEO Peter Watson, OPIC has launched two significant initiatives to encourage greater use of OPIC's programs by small business exporters to fulfill the mandate contained in P.L. 106-158 to expand OPIC's small business efforts. First, in July 2003, OPIC announced the establishment of a new department focusing on small and medium-size businesses. The Small and Medium Enterprise Department will be responsible for OPIC's Direct Loan program, which provides financing to U.S. businesses with annual revenues under \$250 million. The Small Business Center will also be part of the new department. Small businesses looking to participate in the global marketplace have unique requirements. Lack of resources to pursue opportunities abroad, concern over political risks, or the inability to find private sector support can prevent U.S. small businesses from expanding overseas. The Small Business Center at OPIC will help meet these needs by providing financing and political risk insurance to small businesses with annual revenues of less than \$35 million.

Second, OPIC and a small business lender, WorldBusiness Capital, Inc. (WBC) of Hartford, Connecticut, in July 2003 entered into a historic cooperative agreement that will expand support for U.S. small businesses investing overseas and enhance the activities of OPIC's Small Business Center. Under the agreement, OPIC will provide loan guarantees for WBC projects pursuant to a risk-sharing arrangement. WBC will make loans with its own funds, and will continue to monitor and service each loan. WorldBusiness Capital, Inc. intends to make OPIC-guaranteed loans of between \$250,000 and \$10 million to U.S. small businesses expanding into overseas markets. Hopefully, this private-public partnership will set an example for other banks to enter into similar arrangements to publicize and maximize the leverage of OPIC's programs to small business exporters. Delegated authority lenders and preferred lenders are quite common programs at the Export-Import Bank of the United States and the Small Business Administration. The same should hold true for OPIC.

Mr. Speaker, it is a privilege and honor for me to support the Overseas Private Investment Corporation Amendments Act of 2003. I commend my good friends, Chairman HENRY HYDE of Illinois and ranking minority Member TOM LANTOS of California of the House International Relations Committee for working so hard on this bill and bringing it to the floor in a timely manner. My only regret is that my duties on the Small Business Committee prevented me from taking a more active role in the OPIC reauthorization process this time around. I urge my colleagues to support S. 1824.

Mr. THOMAS. Mr. Speaker, I submit two letters for the record with respect to S. 1824, legislation to reauthorize the Overseas Private Investment Corporation (OPIC). These letters are a letter that I wrote to Dr. Peter S. Watson, President and CEO of OPIC, and the letter that I received from Dr. Watson in response clarifying OPIC's statutory obligations and existing practices with respect to issues regarding worker rights.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, November 18, 2003.

Hon. PETER S. WATSON,
President and Chief Executive Officer, Overseas
Private Investment Corporation, Wash-
ington, DC.

DEAR MR. WATSON: The House of Rep-
resentatives may soon consider H.R. 3145,
legislation to reauthorize the operations of
the Overseas Private Investment Corpora-
tion (OPIC) through September 30, 2007. It is
my understanding that nothing in this reau-
thorization would alter in any way OPIC's
statutory obligations or existing practices
with respect to issues regarding worker
rights. I request that you provide the Com-
mittee, in writing, with confirmation of this
understanding and a complete summary of
any and all of OPIC's existing statutory obli-
gations and practices with regards to worker
rights.

I look forward to hearing from you.
Best regards,

BILL THOMAS,
Chairman.

OVERSEAS PRIVATE
INVESTMENT CORPORATION,
Washington, DC, November 18, 2003.

Hon. WILLIAM M. THOMAS,
Chairman, Committee on Ways and Means,
House of Representatives, Washington, DC.

DEAR CHAIRMAN THOMAS: Thank you for
your letter of November 18, 2003. Your letter
referenced H.R. 3145, legislation to reauthor-
ize the operations of ah Overseas Private In-
vestment Corporation (OPIC) through Sep-
tember 30, 2007, and it requested both a con-
firmation that nothing in this reauthorization
would alter in any way OPIC's statutory
obligations or existing practices with respect
to issues regarding worker rights and a sum-
mary of such existing statutory obligations
and practices.

OPIC shares your understanding that H.R.
3145 would not alter in any way OPIC's sta-
tutory obligations or existing practices with
respect to issues regarding worker rights. On
the country level, under current law and
OPIC practice, OPIC "may insure, reinsure
guarantee, or finance a project only if the
country in which the project is to be under-
taken is taking steps to adopt and imple-
ment laws that extended internationally rec-
ognized workers rights" to workers in that
country, unless "the President determines
that such activities by OPIC would be in the
national economic interests of the United
States." (22 U.S.C. 2191a(a)).

In addition, OPIC is prohibited from pro-
viding "assistance for any program, project,
or activity that contributes to the violation
of internationally recognized worker rights"
of workers in the recipient country. (Sec. 533
of the Consolidated Appropriations Resolu-
tion, 2003.) In this context, "internationally
recognized worker rights" means "the right
of association; the right to organize and bar-
gain collectively; [and] a prohibition on the
use of any form of forced or compulsory
labor." Sec. 507(4) of the Trade Act of 1974 (19
U.S.C. 2467(4)). "Internationally recognized
worker rights" also includes "a minimum
age for the employment of children, and a
prohibition on the worst forms of child labor
...; and acceptable conditions of work with
respect to minimum wages, hours of work,
and occupational safety and health" (Sec.
507(4) of the Trade Act of 1974) to the extent
"commensurate with the level of develop-
ment of the recipient country and sector,"
and in a manner that "shall not preclude as-
sistance for the informal sector in such
country, micro and small-scale enterprise,
and smallholder agriculture." (See 533 of the
Consolidated Appropriations Resolution,
2003.

OPIC's statutory obligations and current
practice also require it to include language
in its contracts requiring eligible investors
to observe the applicable laws of the recipi-
ent country. In all contracts which OPIC en-
ters into with eligible investors, OPIC in-
cludes the following language, "The investor
agrees not to take actions to prevent em-
ployees of the foreign enterprise from law-
fully exercising their right of association
and their right to organize and bargain col-
lectively. The investor further agrees to ob-
serve applicable laws relating to a minimum
age for the employment of children, accept-
able conditions of work with respect to min-
imum wages, hours of work, and occupa-
tional health and safety, and not to use
forced labor. The investor is not responsible
under this paragraph for the actions of a for-
eign government." (22 U.S.C. 2191a(a)(1)).

Best regards,

PETER S. WATSON,
President & CEO.

Mr. BLUMENAUER. Mr. Speaker, I support
the reauthorization of the Overseas Private In-
vestment Corporation (OPIC) and the impor-
tant role it plays in assisting emerging markets
in developing countries and promoting U.S.
exports, which creates jobs here at home.
OPIC's operations and activities have sup-
ported over 250,000 U.S. jobs and produced
\$64 billion of U.S. exports.

With this important role comes a responsi-
bility to ensure that projects promoted by
OPIC uphold adequate environmental, labor,
and human rights standards, I am pleased that
OPIC is taking steps to ensure this responsi-
bility is upheld. The Report accompanying this
legislation outlines the International Relations
Committee's expectation that OPIC continue
its work towards implementing an "account-
ability mechanism" and "transparency initia-
tive."

The accountability mechanism should be in
the form of an independent position within
OPIC that evaluates and reports on environ-
mental, social, labor and human rights im-
pacts. The transparency initiative should make
certain that interested stakeholders have ap-
propriate access to information concerning
OPIC's projects. This level of transparency will
strengthen OPIC's programs and policies.

I expect this Congress and the International
Relations Committee to monitor OPIC's
progress towards these initiatives through
hearings and reports. I look forward to contin-
ued dialogue with OPIC on these issues to
strengthen the link between economic devel-
opment, and environmental and social
progress.

Mr. BEREUTER. Mr. Speaker, I yield
back the balance of my time.

The SPEAKER pro tempore. The
question is on the motion offered by
the gentleman from Nebraska (Mr. BE-
REUTER) that the House suspend the
rules and pass the Senate bill, S. 1824.

The question was taken; and (two-
thirds having voted in favor thereof)
the rules were suspended and the Sen-
ate bill was passed.

A motion to reconsider was laid on
the table.

RECOGNIZING THE 5TH ANNIVER- SARY OF THE SIGNING OF THE INTERNATIONAL RELIGIOUS FREEDOM ACT OF 1998

Mr. SMITH of New Jersey. Mr.
Speaker, I move to suspend the rules

and agree to the resolution (H. Res.
423) recognizing the 5th anniversary of
the signing of the International Reli-
gious Freedom Act of 1998 and urging a
renewed commitment to eliminating
violations of the internationally recog-
nized right to freedom of religion and
protecting fundamental human rights,
as amended.

The Clerk read as follows:

H. RES. 423

Whereas the people of the United States
enjoy and respect the freedom of religion and
believe that the fundamental rights of all in-
dividuals shall be recognized;

Whereas fundamental human rights, in-
cluding the right to freedom of thought, con-
science, and religion, are protected in nu-
merous international agreements and dec-
larations;

Whereas religious freedom is a funda-
mental human right and all people are en-
titled to believe, practice, and worship accord-
ing to their conscience;

Whereas the right to freedom of religion is
expressed in the Declaration on the Elimina-
tion of All Forms of Intolerance and Dis-
crimination Based on Religion or Belief,
adopted and proclaimed by the United Na-
tions General Assembly Resolution 36/55 of
November 22, 1981; the Helsinki Accords; the
International Covenant on Civil and Polit-
ical Rights, done at New York on December
16, 1966, and entered into force March 23, 1976;
the United Nations Charter; and the Uni-
versal Declaration of Human Rights, adopted
and proclaimed by the United Nations Gen-
eral Assembly Resolution 217(A)(III) of De-
cember 10, 1948;

Whereas the freedom for all individuals to
adopt, believe, worship, observe, teach, and
practice a religion individually or collec-
tively has been explicitly articulated in Ar-
ticle 18 of the Universal Declaration of
Human Rights and Article 18(1) of the In-
ternational Covenant on Civil and Political
Rights;

Whereas religious persecution is not con-
fined to a country, a region, or a regime; but
whereas all governments should provide and
protect religious liberty;

Whereas much of the world's population is
continually denied or restricted in the right
to believe or practice their faith;

Whereas religious persecution often in-
cludes confinement, separation, humiliation,
rape, enslavement, forced conversion, im-
prisonment, torture, and death;

Whereas October 27, 2003, marks the 5th
anniversary of the signing of the International
Religious Freedom Act of 1998 (22 U.S.C. 6401
et seq.), creating the Office of International
Religious Freedom in the Department of
State and the United States Commission on
International Religious Freedom and result-
ing in a greater awareness of religious perse-
cution both in the United States and abroad;
and

Whereas the United States recognizes the
need for additional domestic and inter-
national attention and action to promote re-
ligious liberty: Now, therefore, be it

Resolved, That the House of Representa-
tives—

(1) recognizes the 5th anniversary of the
signing of the International Religious Free-
dom Act of 1998 (22 U.S.C. 6401 et seq.); and

(2) urges a renewed commitment to elimi-
nating violations of the internationally recog-
nized right to freedom of religion and pro-
tecting fundamental human rights.

The SPEAKER pro tempore. Pursuant
to the rule, the gentleman from
New Jersey (Mr. SMITH) and the gen-
tleman from California (Mr. LANTOS)
each will control 20 minutes.